

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

December 8, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 06HD-209

Hawaii

Sale of Remnant State Lands, Abandoned Railroad Right-of-way to Alan S.
Takase, Waiakea, South Hilo, Hawaii, Tax Map Key: 3rd/2-4-57: portion of 01.

APPLICANT:

Alan S. Takase, married, Tenants in Severalty, whose business and mailing address is 270
Kanoelani Street, Hilo, Hawaii.

LEGAL REFERENCE:

Section 171-52, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Waiakea Cane Lots situated at Waiakea, South Hilo,
Hawaii identified by Tax Map Key: 3rd/2-4-57: portion of 01, as shown on the attached
map labeled Exhibit A.

AREA:

1,350 square feet, more or less.

ZONING:

State Land Use District: Urban
County of Hawaii CZO: Open

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Vacant and unencumbered.

CONSIDERATION:

One-time lump sum payment of fair market value to be determined by independent or staff appraiser, subject to review and approval by the Chairperson.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion beyond that previously existing."

DCCA VERIFICATION:

Not applicable. The Applicant as a landowner is not required to register with DCCA.

APPLICANT REQUIREMENTS:

Applicant shall be required to:

- 1) Pay for an appraisal to determine the one-time payment of fair market value for the remnant;
- 2) Consolidate the remnant with the Applicant's abutting property through the County subdivision process;
- 3) Provide survey maps and descriptions according to State DAGS standards and at Applicant's own cost;
- 4) Pay for the pro-rated cost to subdivide the remnant so that portions may be sold to multiple abutting owners.

REMARKS:

Pursuant to section 171-52, HRS, a remnant is defined as "a parcel of land economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics." The subject parcel has been determined to be a remnant by this definition for the following reasons:

The parcel is an abandoned railroad right-of-way.

Applicant is the owner of parcel (3) 2-2-26:24 as staff has confirmed by research through the County of Hawaii Real Property Tax Office web site. Other abutting properties to the subject remnant parcel include Hilo Meishoin. According to Section 171-52, HRS, if there is more than one abutting owner who is interested in purchasing the remnant, it shall be sold to the one submitting the highest sealed bid or if the remnant abuts more than one parcel, the Board may subdivide the remnant so that a portion may be sold to each abutting owner.

The Hawaii District Land Office (HDLO) has received requests from both the applicant and the abutting property owner, Hilo Meishoin for the purchase of portions of the abandoned railroad remnant. Both landowners are in agreement to each take a 15-foot portion of the 30-foot wide remnant abutting their respective properties. The applicant's property has 90 feet of remnant land available to them while the Hilo Meishoin church has 541 feet bordering the railroad right-of-way. Because the church is requesting the purchase of the entire portion of remnant abutting their property, staff will need to contact all other adjoining property owners and allow them the opportunity to purchase their respective portion of the right-of-way.

The applicant wishes to utilize the remnant as a setback to allow more room for building on his property. The applicant has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Several Federal, State and County governmental agencies were solicited for comments, and all responses were returned stating no objections or comments with the exception of the Office of Hawaiian Affairs (OHA). In their response to staff's request for comments, OHA has suggested that the abandoned railroad right-of-way may be utilized as a walking trail, park system or green corridor and has suggested that an analysis be completed to determine the feasibility of such a park way. cursory research by staff however, has determined that the abandoned railroad right-of-way is fragmented throughout the Hilo area and therefore it would not be feasible for the remaining portions to be retained for park purposes. OHA has also stated that it would prefer the State not engage in the fee simple sale of any ceded lands.

Staff is recommending that the Board consent to the sale of the remnant State lands, being that portion of an abandoned railroad right-of-way to Alan S. Takase.

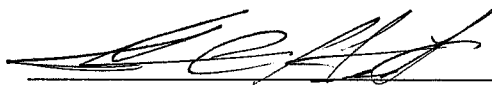
RECOMMENDATION:

That the Board:

1. Find that the subject lands are economically or physically unsuitable or undesirable for development or utilization as a separate unit by reason of location, size, shape, or other characteristics and, therefore, by definition is a remnant pursuant to Chapter 171, HRS.

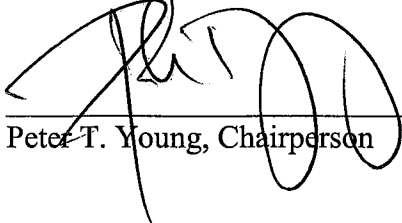
2. Authorize the subject requests to be applicable in the event of a change in the ownership of the abutting parcel described as Tax Map Key: 3rd/2-2-26:24, provided the succeeding owner has not had a lease, permit, easement or other disposition of State lands terminated within the last five (5) years due to non-compliance with such terms and conditions.
3. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
4. Authorize the subdivision and consolidation of the subject remnant by the Applicant.
5. Subject to the Applicant fulfilling all of the Applicant Requirements listed above, authorize the sale of the subject remnant to Alan S. Takase covering the subject area under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - a. The standard terms and conditions of the most current deed or grant (remnant) form, as may be amended from time to time;
 - b. Review and approval by the Department of the Attorney General; and
 - c. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Gordon C. Heit
Land Agent

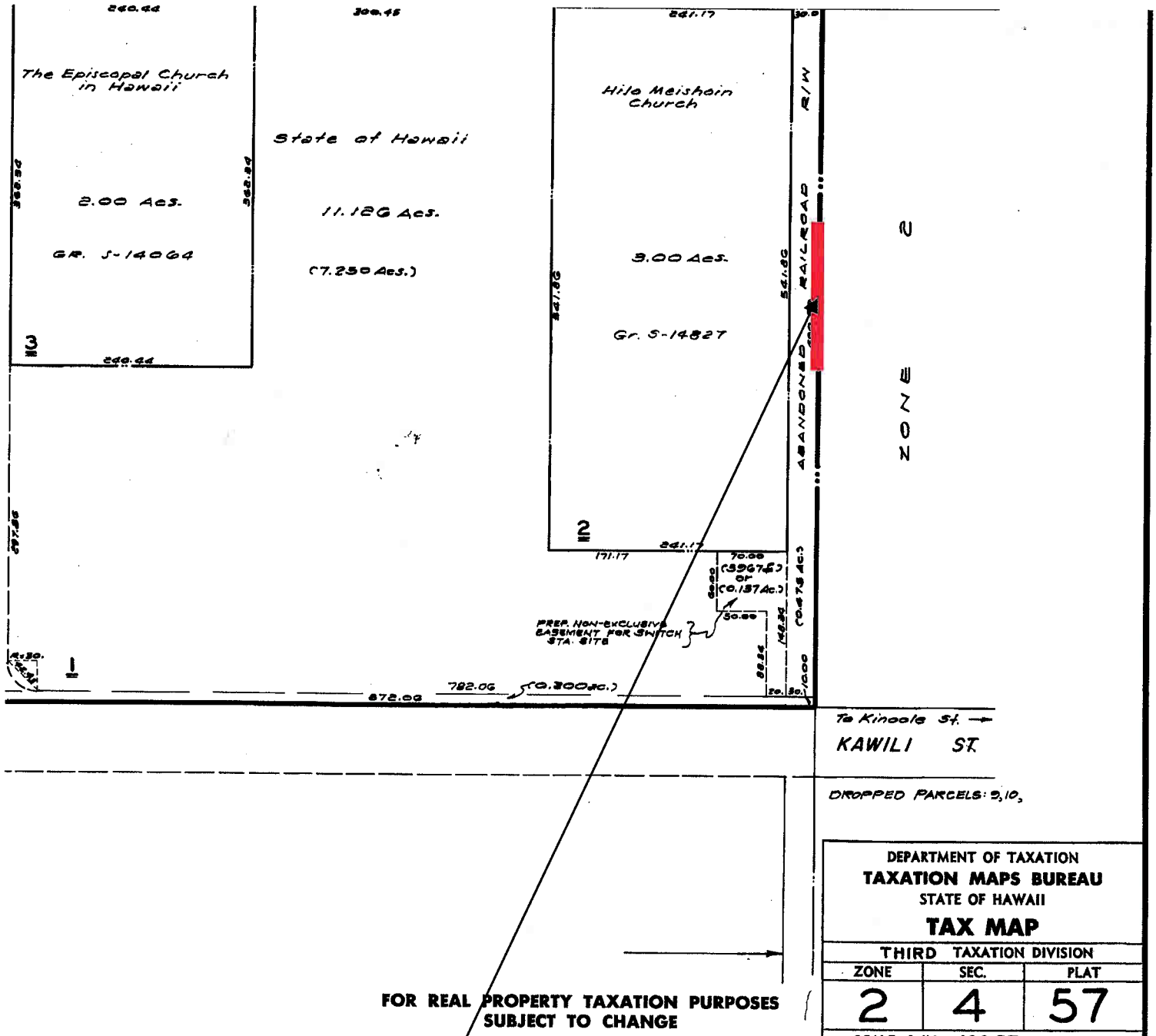
APPROVED FOR SUBMITTAL:



Peter T. Young, Chairperson

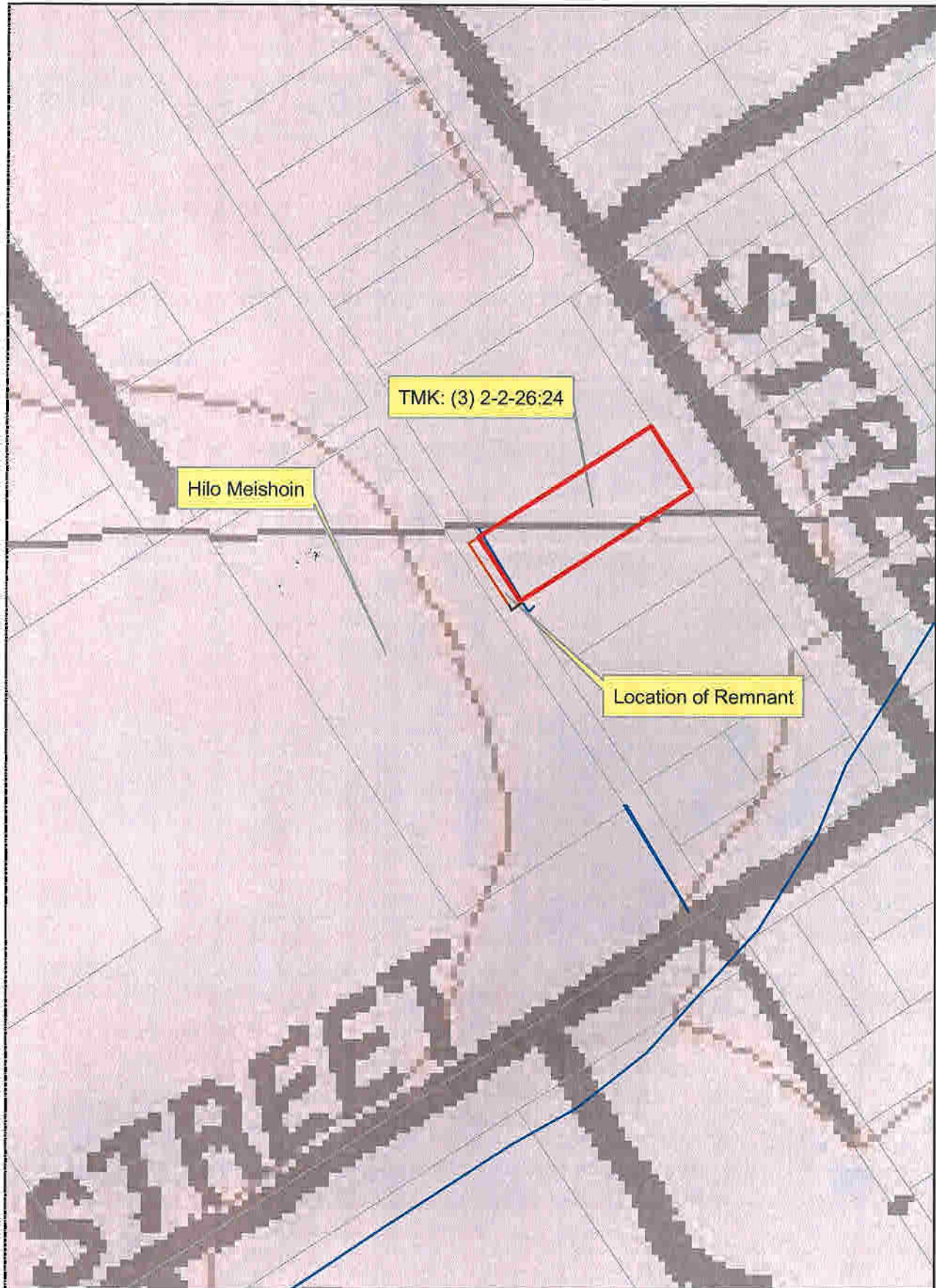
EXHIBIT A

TMK: 3RD/2-4-57: portion 01



SUBJECT REMNANT

Takase Remnant Purchase



0 60 120 240 360 480 Feet

